

No. 13481

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**FEDERAL REPUBLIC OF GERMANY  
and  
BRAZIL**

**Protocol on financial co-operation. Signed at Brasília on  
7 March 1974**

*Authentic texts: German and Portuguese.*

*Registered by the Federal Republic of Germany on 27 August 1974.*

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**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE  
et  
BRÉSIL**

**Protocole relatif à la coopération financière. Signé à Bra-  
sília le 7 mars 1974**

*Textes authentiques : allemand et portugais.*

*Enregistré par la République fédérale d'Allemagne le 27 août 1974.*

## [TRANSLATION — TRADUCTION]

# PROTOCOL<sup>1</sup> BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL ON FINANCIAL CO-OPERATION

The Government of the Federal Republic of Germany and the Government of the Federative Republic of Brazil,

Considering the friendly relations existing between the Federal Republic of Germany and the Federative Republic of Brazil,

Desiring to strengthen and intensify these friendly relations by fruitful co-operation in the field of development assistance,

Being aware that the maintenance of these relations is the basis for the present Protocol,

Intending to promote the development of the Brazilian economy,

Have agreed as follows:

*Article 1.* (1) The Government of the Federal Republic of Germany shall enable borrowers to be chosen jointly by both Governments, to obtain a loan of up to a total of 119 million Deutsche Mark from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, in accordance with paragraphs (2) and (4).

(2) Out of the total loan amount of 119 million Deutsche Mark referred to in paragraph (1), a sum of 69 million Deutsche Mark shall be applied to the following projects:

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|---|---------------|
| (a) Purchase of a floating crane for the port of Manaus . . . . .   | 4 million DM  |
| (b) Improvement of the railway infrastructure in the Ribeira Valley . . . . .   | 25 million DM |
| (c) Promotion of health programmes in the State of Santa Catarina . . . . .   | 14 million DM |
| (d) Banco Nacional de Desenvolvimento Econômico (National Bank for Economic Development) for the promotion of small- and medium-sized enterprises . . . . . | 26 million DM |

(3) Out of the total loan amount of 119 million Deutsche Mark referred to in paragraph (1), a sum of 50 million Deutsche Mark shall be applied to the projects "Flood control on the Rio dos Sinos" (10 million Deutsche Mark) and "Expansion of the Tapaña thermo-electric power station" (40 million Deutsche Mark), provided that the desirability of implementing the said projects has been satisfactorily demonstrated.

<sup>1</sup> Came into force on 7 March 1974 by signature, in accordance with article 8.

(4) The projects referred to in paragraphs (2) (c) and (3) may, by agreement between the Government of the Federal Republic of Germany and the Government of the Federative Republic of Brazil, be replaced by other projects.

*Article 2.* (1) The utilization of the loans referred to in article 1, paragraphs (2) and (3), and the conditions on which they will be granted shall be governed by the contracts to be concluded between the borrowers and the Kreditanstalt für Wiederaufbau, which contracts shall be subject to the legislation in force in the Federal Republic of Germany.

(2) The Government of the Federative Republic of Brazil, in so far as it is not itself the borrower, shall guarantee to the Kreditanstalt für Wiederaufbau all payments and transfers resulting therefrom in fulfilment of the borrowers' obligations under the loan contracts to be concluded.

*Article 3.* The Government of the Federative Republic of Brazil shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges to which it may be liable in the Federative Republic of Brazil in connexion with the conclusion or execution of the loan contracts referred to in article 2.

*Article 4.* With respect to the transport of passengers and goods by sea and air as a result of the granting of the loans, the Governments of the Federal Republic of Germany and the Federative Republic of Brazil shall refrain from taking any measures which might impede the participation of German transport enterprises having their headquarters in the German territory to which this Protocol applies and of Brazilian transport enterprises.

*Article 5.* The supply of goods and services for projects financed by means of the loan shall be the subject of international public tender, unless otherwise decided in individual cases.

*Article 6.* It is for the Government of the Federal Republic of Germany a matter of special importance that in the case of the supply of goods resulting from the granting of the loan preference shall be given to products of the industry of *Land Berlin*.

*Article 7.* With the exception of those provisions of article 4 which refer to air transport, this Protocol shall also apply to *Land Berlin* unless the Government of the Federal Republic of Germany makes a declaration to the contrary to the Government of the Federative Republic of Brazil within three months from the entry into force of this Protocol.

*Article 8.* This Protocol shall enter into force on the date of its signature.

DONE at Brasilia on 7 March 1974, in two originals, one in German and one in Portuguese, both texts being equally authentic.

For the Government  
of the Federal Republic  
of Germany:

HORST RÖDING

For the Government  
of the Federative Republic  
of Brazil:

MARIO GIBSON BARBOZA